



## Participant Handbook Risk Management Program



**Complete details about the SDRM: Edible Horticulture plan are available on [agricorp.com](http://agricorp.com) and in this Participant Handbook and accompanying information sheet, described below:**

- **SDRM: Edible Horticulture Participant Handbook –**  
This Participant Handbook outlines what you need to know about the plan, how to participate and your responsibilities as a participant. The Participant Handbook applies to the 2022 program year and will continue to apply for subsequent program years, until it is cancelled, amended or replaced.
- **Rates, Dates and Updates Information Sheet –**  
This information sheet works as part of your Participant Handbook to provide details specific to the program year, including information about allowable net sales (ANS), and is updated annually. You will receive the information sheet, as part of your participant package. It is also available on [agricorp.com](http://agricorp.com).

**For full particulars of SDRM: Edible Horticulture terms and conditions, refer to the following documents in effect for the current program year:**

- Ontario Self-Directed Risk Management Program Guidelines
- Ministers Order 0004/2019: Ontario Self-Directed Risk Management Program
- Order-in-Council No. 1460/2018, as amended (Business Risk Management Review Committee)

Where there is any conflict between the Participant Handbook or information sheet, and the guidelines, the guidelines take precedence. To obtain copies of the guidelines, please contact the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA).

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## What is RMP?

Ontario's Risk Management Program (RMP) helps producers manage risks beyond their control, like fluctuating costs and market prices. The program is available for the cattle, edible horticulture, grain and oilseed, hog, sheep and veal sectors.

RMP complements AgriStability and Production Insurance. AgriStability is designed to stabilize whole farm income and Production Insurance helps mitigate production loss.

## What is SDRM: Edible Horticulture?

SDRM: Edible Horticulture was designed collaboratively by the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), representatives of the edible horticulture sector and the Ontario Federation of Agriculture, and is administered by Agricorp.

The self-directed risk management (SDRM) plan for edible horticulture allows you to deposit funds into an SDRM account with Agricorp to help mitigate the risks associated with your farm business. The government makes contributions to your account. You may withdraw funds to cover reductions in income, investments in risk management tools or other expenses or losses related to your farm operation.

To ensure funding is distributed fairly, government contributions:

- May not equal 100% of your deposit
- May be made in instalments: 1 at the time of your deposit and 1 later in the program year after all producer deposits are made.

## Participation

Your participation in SDRM: Edible Horticulture is based on your prior year's tax information (T1163 or Statement A). Agricorp will send personalized participation forms to eligible producers each year.

## Eligibility

To be eligible for SDRM: Edible Horticulture, you must:

- Have produced and sold at least 1 eligible commodity in Ontario in the previous year. There are more than 100 eligible commodities, including fruits, vegetables, herbs and spices, mushrooms, nuts, honey and maple products. (Refer to your annual *SDRM: Edible Horticulture Rates, Dates and Updates Information Sheet* for a full list.)
- Have filed a T1163 with the Canada Revenue Agency or submitted a Statement A to Agricorp for the previous year
- Have farmed an eligible commodity for a minimum of 6 consecutive months in a taxation year (ending no later than 3 months prior to the start of the program year and no sooner than 15 months prior to the start of the program year)
- Have a minimum of \$5,000 in allowable net sales (ANS) according to the calculation on your deposit notice
- Make a deposit to your SDRM account. Submit a completed Deposit Request and a cheque made payable to "Agricorp – SDRM: Edible Horticulture" by the deadline indicated on your forms.
- Have a premises identification number

### Eligibility for processing or resale

The income and expenses associated with the purchase and resale of an eligible commodity without any further processing are not allowed in this program.

For example, if you purchase produce and simply resell it without any processing, you cannot claim the sales under SDRM: Edible Horticulture.

Processing is defined as a changing of state, such as converting strawberries to jam.

Agricorp will consider the following circumstances when determining whether the income and expenses associated with processing purchased commodities that are not produced at your operation are allowable:

- You operate a genuine farming business
- Activities are related to your other farming activities
- Activities are undertaken on a small scale
- Income from these activities is incidental to your other farming income

All producers' files are subject to audit.

## How the plan works

SDRM: Edible Horticulture allows you to deposit funds to an SDRM account to cover risk to your farm business. The Ontario government will add to your contribution, up to the maximum contribution amount indicated on your Deposit Notice. You can then withdraw funds to cover any loss or expense you incur.

To ensure that government funding is distributed evenly throughout the program year, government contributions may be made in instalments and may not equal 100% of your deposit amount. This means that a producer who makes a deposit later in the year will benefit the same as a producer who deposits earlier. The first government contribution is made at the time of your deposit. More contributions may be added after the final deposit deadline, when total producer deposits are known.

Government contributions are considered farming income for tax purposes in the year that they are made, regardless of the program year or the year you withdraw the funds. For example, if you make a deposit in September of a given year, the government deposits its contribution in September of the same year, and that contribution is taxable that same year. If government contributions are made in 2 different years, such as September of year A and May of year B, each contribution would be taxable in the year in which it was deposited to your account.

You do not need to open a bank account to participate. These funds are held in an SDRM account by Agricornp. Funds in this account do not earn interest.

It can take up to 20 business days to process your deposit and 20 business days to process a withdrawal.

## Allowable net sales and maximum contributions

Your maximum deposit amount, and the maximum amount that the government will contribute, in any program year is based on your allowable net sales (ANS) as reported on your T1163 or Statement A for the previous year. Your maximum deposit amount is calculated by Agricornp and detailed on the Deposit Notice that is mailed to you.

If your ANS is adjusted after you make a deposit, it will only affect your maximum deposit amount if the ANS changes by \$75 or more. If your ANS increases by \$75 or more, you will be eligible to make an additional deposit. If your ANS decreases by \$75 or more, a portion of your government contribution will be considered an overpayment and will be held back when you withdraw your funds. Your maximum deposit amount will not be recalculated after the deposit deadline. See the *SDRM: Edible Horticulture* [Rates, Dates and Updates Information Sheet](#) for more details.

## Making a deposit

**1. Complete the Deposit Request** form found in the package Agricornp mailed to you. You may make 1 deposit per program year.

**2. Include a cheque** for the amount you want to deposit. Make the cheque payable to "Agricornp – SDRM: Edible Horticulture" (post-dated cheques will not be accepted).

**3. Submit the Deposit Request and cheque to Agricornp** by the deadline indicated on your Deposit Notice.

## Government contributions

To ensure a producer who deposits in January benefits the same as a producer who deposits in November:

- Government contributions may be deposited to your account in instalments and may not equal 100% of your deposit amount.
- The percentage of the producer deposit to be matched by government in the first contribution is indicated in the cover letter of your participant package.
- The first government contribution is made when your deposit is processed.
- Additional government contributions may be made after the final deposit deadline when the total value of all deposits is known.

## Requesting a withdrawal

Complete the Withdrawal Request form found in the package Agricornp mailed to you. You can choose to withdraw the full balance of your SDRM account or indicate the amount you want to withdraw.

The minimum withdrawal is \$200. The maximum withdrawal is the full balance of your account, which includes government contributions minus money owed to the province or already received through AgriStability, plus 100% of your deposit. If you withdraw the full balance of your account and then an additional government contribution is made, Agricornp will automatically send you the newly-added funds.

Indicate a reason for the withdrawal. Funds may be used to cover a reduction in income, an investment in risk management tools, or other expenses or losses related to your farm operation.

Mail or fax your Withdrawal Request form to Agricornp. To receive funds from Agricornp within the calendar year, submit both your deposit and withdrawal requests to Agricornp by October 31. Agricornp processes requests throughout the year, but requests received after October 31 may result in funds being received in the following calendar year.

You can submit the Deposit Request and Withdrawal Request forms together. It can take up to 20 business days to process each deposit and withdrawal request.

## Program terms and conditions

### Understanding your SDRM account

- Your SDRM account is set up and held by Agricornp on your behalf.
- Funds in your SDRM account do not earn interest.
- Only 1 deposit will be accepted per program year.
- You may not assign funds to a third party.
- Deposits and withdrawals for SDRM: Edible Horticulture are not allowable income under AgriStability and will not affect reference or production margins.
- Insurance payments related to edible horticulture production, including Production Insurance payments, will be considered eligible income in calculating your ANS for SDRM: Edible Horticulture.
- The government contribution is considered farm income for tax purposes. Agricornp issues AGR-1 statements for income tax the year the deposit is made, regardless of which year the funds are withdrawn. If government contributions are made in 2 different years, each amount is taxable in the year it is deposited.
- Your SDRM account balance cannot exceed 50% of the most recent 5-year average of your ANS. Deposits are not accepted and no government contributions are made once the account balance reaches this limit.
- If there are no deposits to or withdrawals from your SDRM account for three consecutive years, Agricornp will close the account and send you the remainder of the funds in the account.
- OMAFRA and Agricornp have absolute discretion to refuse or withhold any government contributions to any participant.

## Link to AgriStability payments

AgriStability is an important part of a comprehensive suite of programs. It protects you from large declines in your farming income caused by production loss, increased costs or market conditions. Visit [agricorp.com](http://agricorp.com) for more information.

For the 2022 AgriStability program year, enhanced coverage is provided with the removal of the reference margin limit and the increased provincial portion of the payment rate. This enhancement is in place for the 2020-2022 AgriStability program years under the *Canadian Agricultural Partnership*.

If you choose to participate in AgriStability, your SDRM government contributions are counted as an advance on the provincial portion of your AgriStability payment for the corresponding program year. You keep the greater of either the SDRM government contribution or the provincial portion of the AgriStability payment. Because RMP is provincially funded, it has no impact on the federal portion of AgriStability payments.

If you participate in more than 1 RMP plan, the sum of all your RMP payments and government contributions will be offset against any AgriStability payments.

## Balances owed to the Crown

Agricornp is required to recover balances owed to the Crown, including any SDRM: Edible Horticulture overpayments that may occur as a result of incomplete applications, processing errors, changes to farm operations and the nature of advance payments to producers in financial distress.

If you have a balance owing, you must repay it, including interest, within 3 years of the date you are notified about the debt. You must also submit a repayment plan outlining how you plan to repay the debt. Interest will be charged on any outstanding balance owing for more than 30 days.

Agricornp also recovers overpayments from any other program payments you may be eligible to receive. SDRM: Edible Horticulture overpayments may be recovered from other programs and overpayments from other programs may be recovered from your SDRM: Edible Horticulture payment.

## Consequences of non-compliance and misconduct

You will have to repay any or all payments you received under SDRM: Edible Horticulture that are not in accordance with the eligibility requirements set out in the deposit and withdrawal materials, the guidelines, this Participant Handbook, the SDRM: Edible Horticulture [Rates, Dates and Updates Information Sheet](#) and/or laws of Ontario and Canada. Repayments are due within 30 calendar days of the date of Agricorp's notice to you. Failure to make repayment creates a debt to the Crown that can be recovered against any money the Crown owes to you.

Participation in the program may be cancelled if you in any way:

- Give false or misleading information
- Fail to meet program requirements
- Commit fraud

## Collecting and protecting your information

Information collected under SDRM: Edible Horticulture is used to administer the program on behalf of OMAFRA. Information collected may be used and disclosed to administer, audit and evaluate the program. This includes sharing information with OMAFRA and any other entity required to administer the program. Agricorp may also use this information to administer or audit other cost-shared and provincially or federally subsidized programs. Social insurance numbers and business numbers are collected and used only to make program payments and are shared with the Canada Revenue Agency to issue tax receipts for payments and, where necessary, for audits and collecting overpayments. If you have questions, please contact Agricorp's Compliance and Freedom of Information-Privacy Specialist at Box 3660, Stn. Central, Guelph, Ontario, N1H 8M4, 1-888-247-4999.

OMAFRA or Agricorp may disclose any information as obligated under the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, by an order of the court or tribunal or pursuant to a legal proceeding.

## Retaining records

You must retain all invoices, receipts and production records supporting the tax information used for your SDRM account for a period of 6 years. You must make these documents available to Agricorp in the event of an investigation or audit, or to determine any matter relating to SDRM: Edible Horticulture.

## Requesting a review

If you disagree with a decision about your file, a payment or your eligibility for the program, please contact Agricorp. You have 90 calendar days from receiving a payment or notice from Agricorp to raise the issue.

Agricorp will review and assess the issue. If you are not satisfied with Agricorp's assessment, or wish to not use Agricorp's internal process, you may request a review by the Business Risk Management Review Committee (BRMRC). Your written request to the BRMRC must be submitted within 90 calendar days of receiving the written assessment from Agricorp.

To do so, you will need to provide the Agricultural Information Contact Centre (AICC) of the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) with a written request.

### AICC Contact Information:

- Phone: 1-877-424-1300 / TTY – 1-855-696-2811
- Email: [ag.info.omafra@ontario.ca](mailto:ag.info.omafra@ontario.ca)
- Mailing Address:  
Agricultural Information Contact Centre  
Ontario Ministry of Agriculture, Food and Rural Affairs  
1 Stone Road West, 4th Fl NE  
Guelph, Ontario  
N1G 4Y2

If you request a review, your written request must include the decision you want the BRMRC to review. It should also specify the grounds your request is based on and the information and documentation you will use to support the request for review. When submitting your request, include your contact information in the message and use "Review request to BRMRC" as the subject line.

The BRMRC will make non-binding recommendations to Agricorp regarding your review. Agricorp may accept the recommendations in full or in part, or may decline to follow the recommendations. There is no further right of review process of Agricorp's final decision through the program.

An Agricorp representative can assist you in making a request to the BRMRC. For full particulars involved in requesting a review, refer to Ministers Order 0004/2019: Ontario Self-Directed Risk Management Program and Order-in-Council No. 1460/2018, as amended, as well as the program guidelines.

## Definitions

These terms are used in this Participant Handbook, the *SDRM: Edible Horticulture Rates, Dates and Updates Information Sheet* and/or participant forms.

### **AgriStability**

A program delivered by Agricorp in Ontario that protects your farm income as a whole against large margin declines caused by any combination of production losses, adverse market conditions or increased costs.

### **Allowable net sales (ANS)**

The basis of the maximum contribution. Allowable sales minus allowable purchases as reported on your previous year's taxes and calculated by Agricorp.

### **Deposit Notice**

A notice sent to producers outlining allowable net sales and deposit limits for the program year.

### **Deposit Request**

The form that needs to be completed and submitted by producers to deposit funds into an SDRM account and receive a government contribution.

### **Eligible commodity**

An Ontario-grown or produced commodity listed in the SDRM: Edible Horticulture [Rates, Dates and Updates Information Sheet](#).

### **Premises Identification**

A program offered by the Provincial Premises Registry that assigns a unique identifying number to a parcel of land associated with agricultural activities. A valid premises ID number is a requirement for participating in SDRM: Edible Horticulture.

### **Production Insurance**

An insurance program jointly funded by the federal and provincial governments and crop producers that covers production loss and yield reductions caused by insured perils.

### **Program year**

The period from April 1 of the year indicated to March 31 of the following calendar year. As an example, the 2022 program year is from April 1, 2022 to March 31, 2023.

### **SDRM account**

An account established with Agricorp through which all SDRM deposits, contributions and withdrawals flow.

### **Withdrawal Request**

The form that needs to be completed and submitted to Agricorp to withdraw funds from the SDRM account.



An agency of the Government of Ontario

### Contact us

1-888-247-4999

Fax: 519-826-4118

TTY: 1-877-275-1380

Accessible formats available

**agricorp.com**

contact@agricorp.com

Version française disponible

An agency of the Government of Ontario, Agricorp works with government and industry partners to contribute to a vibrant and sustainable agricultural industry. Agricorp delivers programs to help producers across all sectors manage all kinds of risks including financial, environmental and market-driven. The agency was established in 1997 by the provincial government under authority of the *AgriCorp Act, 1996*. Agricorp administers SDRM: Edible Horticulture on behalf of the Ontario Ministry of Agriculture, Food and Rural Affairs.

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